



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-489-824)

Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey:
Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) determines that heavy walled rectangular welded carbon steel pipes and tubes (HWR pipes and tubes) from the Republic of Turkey (Turkey) are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735(a) of the Tariff Act of 1930, as amended (the Act). The period of investigation (POI) is July 1, 2014, through June 30, 2015. The final dumping margins of sales at LTFV are listed below in the “Final Determination” section of this notice.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Ross Belliveau or Rebecca Trainor, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482- 4952 and (202) 482-4007, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 1, 2016,¹ the Department published the Preliminary Determination. A summary of the events that occurred since the Department published the Preliminary Determination, as well as a full discussion of the issues raised by parties for this final

¹ See Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Final Determination of Sales at Less Than Fair Value, 81 FR 10583 (March 1, 2016) (Preliminary Determination).

determination, may be found in the Issues and Decision Memorandum, which is hereby adopted by this notice.²

Scope of the Investigation

The scope of the investigation covers HWR pipes and tubes of rectangular (including square) cross section, having a nominal wall thickness of not less than 4 mm. For a complete description of the scope of the investigation, see Appendix I.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and it is available to all parties in the Central Records Unit, room B-8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Verification

As provided in section 782(i) of the Act, in March and April 2016, we conducted verification of the sales and cost information submitted by MMZ Boru Profil Uretim Sanayi Ve Tic. A.S. (MMZ) and Ozdemir Boru Profil San. Ve Tic. Ltd. Sti. (Ozdemir) for use in our final determination. We used standard verification procedures, including an examination of relevant

² See Memorandum to Paul Piquado, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey," dated concurrently with this notice (Issues and Decision Memorandum).

accounting and production records, and original source documents provided by MMZ and Ozdemir.³

Changes Since the Preliminary Determination and Use of Adverse Facts Available

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for Ozdemir. In addition, we revised the margin for MMZ to reflect the application of facts available with an adverse inference, pursuant to sections 776(a)(1), 776(a)(2)(A), (C), and (D), and 776(b) of the Act. For a discussion of these changes, see the Issues and Decision Memorandum. We also revised the all-others rate as explained below.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted-average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding any zero or de minimis margins, and margins determined entirely under section 776 of the Act. Pursuant to section 735(c)(5)(B) of the Act, if the estimated weighted-average dumping margins established for all exporters and producers individually examined are zero, de minimis or determined based entirely under section 776 of the Act, the Department may use any reasonable method to

³ For discussion of our verification findings with respect to each company, see the following memoranda: Memorandum to the File from Rebecca Trainor and Aqmar Rahman, “Verification of the Sales Response of MMZ Onur Boru Profil Uretim Sanayi Ve Tic. A.S. in the Antidumping Duty Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Turkey,” dated May 16, 2016; Memorandum to the File from Gary Urso and Stephanie Arthur, “Verification of the Cost Response of MMZ Onur Boru Profil Uretim Sanayi. Ve Tic. in the Antidumping Duty Less Than Fair Value Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey,” dated May 6, 2016; Memorandum to the File from Ross Belliveau, “Verification of the Sales Response of Ozdemir Boru Profil San. Ve Tic. Ltd. Sti. in the Antidumping Duty Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Turkey,” dated May 17, 2016; and Memorandum to the File from Stephanie Arthur and Gary Urso, “Verification of the Cost Response of Ozdemir Boru Profil San. Ve Tic. Ltd. Sti. in the Antidumping Duty Less Than Fair Value Investigation of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey,” dated May 6, 2016.

establish the estimated dumping margin for all other producers or exporters. We calculated a margin of zero percent for the only cooperative mandatory respondent in this investigation, Ozdemir, and applied a margin based entirely on adverse facts available (AFA) for MMZ. Therefore, pursuant to section 735(c)(5)(B) of the Act, we determine that it is reasonable to calculate the all-others rate based on a simple average of Ozdemir's zero percent margin and MMZ's AFA margin.⁴

Final Determination

The final weighted-average dumping margins are as follows:

Exporter/Manufacturer	Weighted-Average Dumping Margins (percent)	Cash Deposit Rate (percent)
MMZ Boru Profil Uretim Sanayi Ve Tic. A.S.	35.66	35.66
Ozdemir Boru Profil San. Ve Tic. Ltd. Sti.	0.00	0.00
All Others	17.83	17.73

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of HWR pipes and tubes from Turkey, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after March 1, 2016, the date of publication of the preliminary determination of this investigation in the Federal Register. In

⁴ See e.g., Notice of Final Determination of Sales at Less Than Fair Value: Polyethylene Retail Carrier Bags From Malaysia, 69 FR 34128 (June 18, 2004).

the event an AD order is issued, because Ozdemir's weighted-average dumping margin is zero, Ozdemir would be excluded from the AD order.

Further, the Department will instruct CBP to require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price as shown above, adjusted where appropriate for export subsidies found in the final determination of the companion countervailing duty investigation. Consistent with our longstanding practice, where the product under investigation is also subject to a concurrent countervailing duty investigation, we instruct CBP to require a cash deposit equal to the amount by which the NV exceeds the U.S. price, less the amount of the countervailing duty determined to constitute any export subsidies.⁵ Therefore, in the event that a countervailing duty order is issued and suspension of liquidation is resumed in the companion countervailing duty investigation on HWR pipes and tubes from Turkey, the Department will instruct CBP to require cash deposits adjusted by the amount of export subsidies, as appropriate. These adjustments are reflected in the final column of the rate chart, above.⁶ Until such suspension of liquidation is resumed in the companion countervailing duty investigation, and so long as suspension of liquidation continues under this antidumping duty investigation, the cash deposit rates for this antidumping duty investigation will be the rates identified in the weighted-average margin column in the rate chart, above.

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final

⁵ See, e.g., Welded Line Pipe From the Republic of Turkey: Final Determination of Sales at Less Than Fair Value, 80 FR 61362 (October 13, 2015) and Notice of Final Determination of Sales at Less Than Fair Value and Negative Critical Circumstances Determination: Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea, 77 FR 17413 (March 26, 2012).

⁶ See Memorandum to the File from Rebecca Trainor, "Calculation of the All Others Rate," dated concurrently with this notice.

determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of HWR pipes and tubes from Turkey no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders (APO)

This notice serves as a reminder to parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

July 14, 2016
Date

Appendix I

Scope of the Investigation

The products covered by this investigation are certain heavy walled rectangular welded steel pipes and tubes of rectangular (including square) cross section, having a nominal wall thickness of not less than 4 mm. The merchandise includes, but is not limited to, the American Society for Testing and Materials (ASTM) A-500, grade B specifications, or comparable domestic or foreign specifications.

Included products are those in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements below exceeds the quantity, by weight, respectively indicated:

- 2.50 percent of manganese, or
- 3.30 percent of silicon, or
- 1.50 percent of copper, or
- 1.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 2.0 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), or
- 0.30 percent of vanadium, or
- 0.30 percent of zirconium.

The subject merchandise is currently provided for in item 7306.61.1000 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under HTSUS 7306.61.3000. While the HTSUS subheadings and ASTM specification are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
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- III. Scope of the Investigation
- IV. Margin Calculations
- V. Application of Facts Available and Use of Adverse Inference
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 - 1. Assignment of Margin Based on AFA to MMZ
 - 2. Weight Basis for Comparison Methodology
 - 3. Calculation of Duty Drawback Adjustment
 - 4. Which DIIBs to Include in Calculating the Duty Drawback Adjustment
 - 5. Offset of Duty Drawback Adjustment for Related Expenses
 - 6. Application of the Duty Drawback Adjustment in the Margin Program
 - 7. U.S. Date of Sale
 - 8. Short-Term Interest Rate in the Home Market
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 - 11. Reallocation of Costs for Non-Prime Merchandise
- VII. Recommendation

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